

REMARKS

The application has been thoroughly reviewed in light of the February 4, 2004 Office Action. Claims 1, 2, 4, 6-8, 10, 12, 14-17, 20-24, 26-30 and 35 are pending. Claims 1, 14, 17, 30 and 35 are independent. Claims 3, 18, 19 and 31-34 were previously canceled without prejudice and/or disclaimer of subject matter. Each of the issues raised in the outstanding Office Action are addressed below.

§102 Rejection

Claims 1, 2, 4, 12, 14-17, 20, 21, 27-30 and 35 were rejected under 35 U.S.C. §102 as being anticipated by U.S. patent no. 5,870,723 (Pare, Jr. et al.). For the following reasons, the claimed invention is patentable over the prior art.

Claim 1

Claim 1 is directed to a method of transaction processing which includes operating a wireless transaction terminal in a first mode, where during a transaction, communication of transaction information with a first server is delayed and alternately operating the transaction terminal in a second mode, where communication of the transaction information with the first server is not delayed. The method also includes accessing a wireless communications network and sending first transaction information for a transaction from the transaction terminal across the communications network, receiving and processing the first transaction information at the first server, storing at least a portion of the first transaction information and the first server sending second transaction information based on the first transaction information to a transaction processor. Independent claims 17 and 30 recite similar patentable features.

The Cited Prior Art

As understood by Applicant, Pare, Jr. et al. appears to disclose a method and system for tokenless biometric transaction authorization. A buyer enters personal authentication information including a PIN and a biometric sample (e.g., fingerprint), which is forwarded to a computer system. The computer system compares the personal authentication information with previously registered buyer biometric samples. If the computer system successfully identifies the buyer, a financial account of the buyer is debited and a financial account of the seller is credited. Pare is also understood to disclose certain security features used in a biometric transaction system to identify fraudulent transactions.

Analysis

Anticipation (35 U.S.C. §102)

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” M.P.E.P. 2131, quoting, *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987).

Accordingly, Applicant could find nothing in Pare, Jr. et al. which discloses (or teaches or suggests) a method of transaction processing, which includes alternately operating a wireless transaction terminal in one of two modes: a first mode where communication of transaction information with a first server is delayed, and in a second mode, where the communication of transaction information is not delayed. The Action alleges, in paragraph no. 5, that Pare, Jr. et al., discloses the claimed feature of “communication of transaction information with a first server is delayed” in col. 23, lines 16-27, and/or col. 58, lines 26-30, and Fig. 1. Applicant respectfully disagrees. Neither of these specified sections, nor anywhere else (for that matter) in the Pare Jr., et al. can this

claimed feature and/or the alternate operation of a wireless transaction device, be found.

The Examiner also states in paragraph 21 of the Action that although “the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may be applied as well”, and that the Applicant should “fully consider the references in entirety as potentially teaching all or part of the claimed invention”. However, even after a careful review of the Pare, Jr. et al. reference, Applicant could not find any disclosure of a wireless transaction terminal which is operable in one of two modes as stated above. Applicant has found that the Retail POS Terminal 2 does not have two modes of operation which transaction information to any server. Even assuming that the DPC as shown in Figs. 1 and 2 could be equated with the server as in the presently claimed invention, the Retail POS Terminals 2 in the Pare, Jr. et al. disclosure do not include the two modes of operation.

Moreover, since the essence of the Pare, Jr. et al. reference is retrieving account information from a data processing center (DPC), information (transaction or otherwise) from the BIA/Retail POS terminal is always sent immediately to the DPC - thus, there is no disclosure relating to the delay of information to the DPC.

Accordingly, Applicant respectfully submits that independent claims 1, 17 and 30, as well as their corresponding dependent claims 2, 4, 6-8, 10, 12, 14-16, 20-24 and 26-29 are patentable over the cited prior art. Withdrawal of the §102 rejection as to these claims is now respectfully requested. Applicant also submits that each of the dependent claims is patentable in their own right, and thus, respectfully request individual consideration of each dependent claims with regard to patentability.

Additional reasons for patentability of the above-noted claims can also be found in Applicant’s prior response dated August 4, 2004. Should the Examiner disagree with the Applicant assessment, the Applicant respectfully requests that the Examiner explain which portions of Pare, Jr. et al. is being relied upon for this §102 rejection.

Claim 14

Claims 14 is directed to a method for transaction processing which includes a server receiving an action from a customer remotely communicating with the server via the Internet, the action for application on a wireless transaction terminal in communication with the server, and the server communicating the action to the transaction terminal to apply the action thereto.

The Action alleges that the features of this claim can be found in lines 6-14 of col. 42 of the Pare, Jr. et al. This particular section of the reference discloses the following information:

Customer Service tasks

- IBD: find, activate, deactivate, remove, correct records, change PINs.
- AID: add or remove authorized individuals.
- AOD: find, add, remove, correct records.
- VAD: find, activate, deactivate, remove, correct records.
- RSD: find, add, remove, correct records.
- PFD: add, remove, correct records.

Applicant cannot understand what in the above noted passage, or what in the remainder of the Pare, Jr. et al. reference is the equivalent of a server receiving an action from a customer remotely communicating with the server via the internet, the action for application on a wireless transaction terminal in communication with the server. In addition, there is nothing in this section or the remainder of Pare, Jr. et al. which discloses, or teaches or suggests of the server communicating the action to the transaction terminal to apply the action thereto. Applicant respectfully submits that the most that Pare, Jr. et al. discloses is simply maintenance of a customer's account at the DPC - that is finding activating, deactivating, removing, correcting records, changing PINs, adding or removing authorized individuals, etc., as set out above. No where in the cited reference is a server receive an action remotely from a customer for communicating and application on a

wireless transaction terminal.

For at least these reasons, claims 14-16 are patentable over the prior art. Withdrawal of the §102 rejection as to claims 14-16 is now respectfully requested. Additional reasons for patentability of the above-noted claims can also be found in Applicant's prior response dated August 4, 2004.

Claim 35

Claim 35 is directed to a server for transaction processing which includes a processor for receiving and processing first transaction information for a pending transaction from a wireless transaction terminal and communication means for: providing replies for use in transaction processing to the transaction terminal prior to or during a transaction, sending second transaction information based on the first transaction data to a transaction processor for obtaining approval information for the pending transaction, receiving the approval information from the transaction processor and forwarding all or a portion of the approval information to the transaction terminal. The server accesses a memory for storing the first transaction information and wherein the stored transaction information is accessible via the Internet.

It is a feature of the claimed invention that replies for a use in a transaction for a wireless transaction terminal may be provided and stored in the wireless transaction terminal for later use. See specification, page 12, last paragraph.

The Action relies on the same above-noted passages of the Pare, Jr. et al. reference to reject claim 35. However, Applicant, after a thorough review of the reference, have failed to locate any portion which discloses replies for use in transaction processing being downloaded to the transaction terminal. For at least that reason, claim 35 is patentable over the cited art, and thus, Applicant respectfully requests that the §102 rejection as to this claim be withdrawn.

§103 Rejection

Claims 6-8, 10, 22-24 and 26 were rejected as being obvious over Pare, Jr. et al. in view of U.S. patent no. 6,075,796 (Katseff et al.). Since these claims depend from one or another of the independent claims, shown to be patentable over the prior art (above), these claims are also patentable for the same reasons. Additional reasons for patentability of the above-noted claim can also be found in Applicant's prior response dated August 4, 2004.

CONCLUSION

In view of the foregoing remarks, Applicant respectfully submits that all issues raised in the December 30, 2004 Office Action have been addressed and request favorable reconsideration of the subject application. Applicant also respectfully requests that all of the prior art rejections issued in the outstanding Office Action be withdrawn and that the subject application be allowed.

No fees, aside for the fee due for the extension of time for responding to the outstanding Action, are believed due with this response. In the event that it is determined that additional fees are due, however, the Commissioner is hereby authorized to charge the undersigned's Deposit Account No. **50-0311**, Ref. No. 28537-015 (formerly 21958-015), Customer No. **35437**.

Appl. No.: 09/495,898

Response Dated: April 29, 2005

Reply to Office Action of December 30, 2004

Applicant's undersigned attorney may be reached in our New York office by telephone at (212) 935-3000. All correspondence should be directed to our New York office address, which is given below.

Date: April 29, 2005

Respectfully submitted,



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